

(2) Kobrin was associated with Registrant from in or about August, 1976 to on or about October 1, 1978.

(3) From in or about November, 1976, to at least in or about March, 1977, at a time when Registrant had associated with it both Kobrin, who had been criminally convicted of securities law violations, and a person who has been enjoined for securities law violations, Registrant willfully violated Section 15(b) of the Exchange Act and Rule 15b10-4(c) thereunder in that Registrant failed to establish, maintain, and enforce written procedures relating to the supervision of customer accounts as prescribed by the above rule.

(4) In or about March, 1977, at a time when Registrant had associated with it both Kobrin, who had been criminally convicted of securities law violations, and a person who had been enjoined for securities law violations, Registrant willfully violated Section 15(b) of the Exchange Act and Rule 15b10-6 thereunder in that Registrant failed to obtain the signature of a supervisor on each customer account card.

It is therefore in the public interest to impose the sanction specified in the offer of settlement.

Accordingly, IT IS ORDERED that, effective at the opening of business on the second Monday after the date of this order, Donald & Co. Securities Inc., be and hereby is censured.

George A. Fitzsimmons
Secretary

SECURITIES EXCHANGE ACT OF 1934
Release No. 15292/November 2, 1978

Division of Investment Management's Interpretative Positions Relating to Rule 13f-1 and Related Form 13F

AGENCY: Securities and Exchange Commission.

ACTION: Interpretative release.

SUMMARY: The Securities and Exchange Commission today authorized the issuance of a release reflecting the views of the Division of Investment Management regarding the reporting obligation and filing requirement of certain institutional investment managers under the Commission's recently implemented institutional disclosure program. Since the

program's implementation was announced, on June 15, 1978, the Division of Investment Management has received requests for interpretations with respect to various aspects of its requirements. This interpretative release is intended to assist interested persons in their understanding of, and compliance with, that program.

EFFECTIVE DATE: November 2, 1978.

FOR FURTHER INFORMATION CONTACT:

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SUPPLEMENTARY INFORMATION: Section 13(f) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. 78a et seq. as amended by Pub. L. No. 94-29 (June 4, 1975)] was adopted by Congress as part of the Securities Acts Amendments of 1975. Generally Section 13(f) [15 U.S.C. 78m(f)] empowers the Commission to adopt rules which would create a reporting and disclosure system to collect specific information concerning Section 13(d)(1) [15 U.S.C. 78M(d)(1)] equity securities held in accounts over which certain institutional investment managers exercise investment discretion. The reporting system required by Section 13(f) is intended to create in the Commission a central repository of historical and current data about the investment activities of institutional investment managers.

On June 15, 1978, the Commission announced the adoption of Rule 13f-1 [17 CFR 240.13f-1] and related Form 13F [17 CFR 249.325] in Exchange Act Release No. 14852, effective July 31, 1978, [43 FR 26700, June 22, 1978], implementing the basic institutional disclosure program mandated by Section 13(f). Under the Rule, as adopted, an institutional investment manager exercising investment discretion (as defined in Section 3(a)(35) of the Exchange Act [15 U.S.C. 78(c)(a)(35)]) with respect to accounts having more than \$100,000,000 or more in exchange-traded or NASDAQ-quoted equity securities on the last trading day of any of the twelve months of a calendar year must file annually with the Commission, and, if a bank, with the appropriate banking agency, within 45 days after the last day of such calendar year, Form 13F, beginning with the calendar year 1978. The form requires the reporting of the name of the issuer, and the title of class, CUSIP number, number of shares or principal amount in the case of convertible debt, and aggregate fair market value of each such equity security held. The form also requires information